## TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

March 9, 2006 LB 248

quarterly--this is on page 4 of the amendment, if you'd like to follow along-on or before the last day of each guarter, this money is distributed to the...in the...the motor vehicle tax fund is distributed to county treasurers. Once it hits the County Treasurer's Office...and these are...this money that goes, then, to the County Treasurer's Office is apportioned by where those vehicles are domiciled, those semis, in most cases is what we're talking about, heavy trucks, by the actual number of licenses issued in say, Lancaster County. And then the County Treasurer takes that and disburses those dollars to the various political subdivisions, and what we're run into over the years is, some of the smaller counties -- even some of the larger counties--there's checks cut for 25 cents and 50 cents and so The administration cost of distributing the apportionable vehicle fees that go back to the county is more than what a lot of the political subdivisions get. This has been in place for a number of years. I've talked to people who were here years ago, and they said this was an oversight. It should have been cleaned up when they did some of the other tax issues back in the eighties, but it's managed to survive till now and it's an issue that we heard the bill on last year. There was no opposition. It came out of the committee, I believe, 6 to 0. Two people--I don't remember--either didn't vote or weren't there. But it's a method to clean up a process that's been in a long time that no longer works, and it's very inefficient. So with that, what it...that's the way we've been I guess what we're proposing to do in the amendment doing it. is to put this money into the Highway Allocation Fund instead of transferring it back to counties and then trickle down to the political subdivisions. It goes to the Highway Allocation Fund. That Highway Allocation Fund is distributed to the cities and counties, and that's where the discussion arose with Senator Bourne's amendment, was we wanted some accountability, but Senator Landis said we'll take that up later. So this money goes to the Highway Allocation Fund. It's distributed by the It's no change in the formula to the cities; half to the cities, half to the counties. And within that county distribution there's a formula, and within the city distribution there's another formula used. So it cleans up the process. think we have most everyone on board. Obviously, the cities and counties are going to receive more funds for their roads, and I